



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285**

**C. WARREN NEEL, Ph.D.**  
COMMISSIONER

**FOR IMMEDIATE RELEASE  
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## **December Revenues**

**Nashville** – On an accrual basis December is the fifth month in the 2001-2002 fiscal year. Department of Revenue tax collections were \$577.9 million, a decrease of \$6 million or 1.03% under last year.

Revenues were \$32.5 million less than the budgeted estimates, Finance and Administration Commissioner C. Warren Neel announced today. The general fund had an undercollection of \$27 million and the four other funds undercollected by \$5.5 million for the month.

Sales tax collections increased by 4.81% in December which is \$2 million more than the estimate. The increase was the first year-over-year gain since June. The increase was fueled by a 24.1% surge in collections on new and used vehicles. Net of auto collections, the increase in December was 2.10%.

Franchise and excise taxes combined were \$69.1 million for the month, a decrease of \$24 million or 25.77% for the month. Collections were \$27.1 million less than the estimate.

Gasoline taxes and motor vehicle registrations were \$6.5 million less than the budgeted estimate of \$78.4 million.

Year-to-date collections for five months are \$156.25 million less than the budgeted estimates for all funds and \$146.7 million less than the general fund estimate.

Commissioner Neel stated, "The budgeted revenue estimates are based upon the State Funding board's consensus recommendation adopted by the first session of the 102<sup>nd</sup> General Assembly in June of this year."

**REVENUE COLLECTIONS**  
**DECEMBER, 2001, AND 5 MONTHS YEAR-TO-DATE**

**December Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$493,174,000	\$466,217,000	(\$26,957,000)
Highway Fund	44,778,000	40,668,000	(4,110,000)
Sinking Fund	19,480,000	19,484,000	4,000
City & County Fund	50,854,000	49,213,000	(1,641,000)
Earmarked Fund	2,062,000	2,286,000	224,000
<b>Total</b>	<b>\$610,348,000</b>	<b>\$577,868,000</b>	<b>(\$32,480,000)</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$2,424,706,000	\$2,278,037,000	(\$146,669,000)
Highway Fund	233,111,000	229,566,000	(3,545,000)
Sinking Fund	98,166,000	97,564,000	(602,000)
City & County Fund	257,266,000	250,811,000	(6,455,000)
Earmarked Fund	12,716,000	13,737,000	1,021,000
<b>Total</b>	<b>\$3,025,965,000</b>	<b>\$2,869,715,000</b>	<b>(\$156,250,000)</b>

Table 1  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	December			
	2000	2001	Change	Percent
Franchise & Excise	\$93,030,000	\$69,054,000	-\$23,976,000	-25.77%
Income	3,412,000	4,681,000	1,269,000	37.19%
Inheritance & Estate	5,975,000	6,345,000	370,000	6.19%
Gasoline	47,926,000	43,008,000	-4,918,000	-10.26%
Petroleum Special	7,037,000	4,548,000	-2,489,000	-35.37%
Tobacco	6,853,000	6,413,000	-440,000	-6.42%
Beer	1,162,000	1,107,000	-55,000	-4.73%
Motor Vehicle Registration	8,527,000	11,628,000	3,101,000	36.37%
Motor Vehicle Title	676,000	773,000	97,000	14.35%
Mixed Drink	2,571,000	2,924,000	353,000	13.73%
Business	237,000	788,000	551,000	232.49%
Privilege	11,994,000	13,471,000	1,477,000	12.31%
Gross Receipts	16,169,000	16,715,000	546,000	3.38%
Alcoholic Beverage	2,972,000	3,011,000	39,000	1.31%
Sales and Use	363,135,000	380,592,000	17,457,000	4.81%
Motor Vehicle Fuel	12,117,000	12,731,000	614,000	5.07%
Severance	97,000	80,000	-17,000	-17.53%
Coin-operated Amusement	0	0	0	-
Total	\$583,890,000	\$577,868,000	-\$6,021,000	-1.03%

Table 2  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	August - December			
	2000	2001	Change	Percent
Franchise & Excise	\$342,975,000	\$267,624,000	-\$75,351,000	-21.97%
Income	9,388,000	10,551,000	1,163,000	12.39%
Inheritance & Estate	29,573,000	36,658,000	7,085,000	23.96%
Gasoline	244,244,000	235,992,000	-8,252,000	-3.38%
Petroleum Special	27,337,000	26,736,000	-601,000	-2.20%
Tobacco	35,133,000	34,358,000	-775,000	-2.21%
Beer	6,773,000	6,657,000	-116,000	-1.71%
Motor Vehicle Registration	66,217,000	73,885,000	7,668,000	11.58%
Motor Vehicle Title	4,265,000	4,252,000	-13,000	-0.30%
Mixed Drink	13,648,000	14,358,000	710,000	5.20%
Business	1,660,000	2,166,000	506,000	30.48%
Privilege	66,670,000	74,675,000	8,005,000	12.01%
Gross Receipts	96,104,000	98,568,000	2,464,000	2.56%
Alcoholic Beverage	12,390,000	12,355,000	-35,000	-0.28%
Sales and Use	1,916,723,000	1,908,616,000	-8,107,000	-0.42%
Motor Vehicle Fuel	62,795,000	61,770,000	-1,025,000	-1.63%
Severance	444,000	485,000	41,000	9.23%
Coin-operated Amusement	23,000	9,000	-14,000	-60.87%
Total	\$2,936,362,000	\$2,869,715,000	-\$66,647,000	-2.27%

Table 3  
August - December Revenue Overcollections/(Undercollections)  
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ (66,900,000)	\$ (3,600,000)	\$ (70,500,000)
Inheritance Tax	3,900,000	0	3,900,000
TVA Payment	800,000	500,000	1,300,000
Gasoline & Motor Vehicle Registration	400,000	(7,800,000)	(7,400,000)
Other Taxes	2,200,000	1,400,000	3,600,000
<b>Sub-Total</b>	\$ (59,600,000)	\$ (9,500,000)	\$ (69,100,000)
F & E Taxes	(87,100,000)	0	(87,100,000)
<b>Total</b>	\$ (146,700,000)	\$ (9,500,000)	\$ (156,200,000)

## December Revenue Report

*(in millions)*

December is the 5th month of fiscal year 2001-02 on an accrual basis.

### **TOTAL TAX COLLECTIONS December 2001, \$577.9**

Performance versus the estimate for the month

<u>Estimate</u>	<u>Difference</u>	<u>Percentage</u>
\$610.3	-\$32.5	-5.3%

### **TOTAL TAX COLLECTIONS Y-T-D December 2001, \$2,869.7**

Performance versus the estimate Y-T-D

<u>Estimate</u>	<u>Difference</u>	<u>Percentage</u>
\$3,026.0	-\$156.3	-5.2%